

UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES
ATLANTA BRANCH OFFICE

PHILIPS ELECTRONICS
NORTH AMERICA CORPORATION

and

Case 26-CA-085613

LEE CRAFT, an Individual

William T. Hearne, Esq., for the
General Counsel.
Mason C. Miller, Esq., of Somerset, NJ,
for the Respondent.

DECISION

Statement of the Case

MARGARET G. BRAKEBUSCH, Administrative Law Judge. This case was tried in Memphis, Tennessee, on March 11 and 12, 2013. Lee Craft, an individual, filed the charge in 26-CA-085613 on July 19, 2012, and filed an amended charge on September 28, 2012. On November 30, 2012, the Acting Regional Director for Region 26 of the National Labor Relations Board (Board) issued a complaint¹ and notice of hearing. Generally, the complaint alleges that since January 19, 2012, Philips Electronics, North America Corporation (Respondent) has maintained a rule that discipline is confidential and prohibiting employees from sharing and/or discussing their discipline with their coworkers. The complaint further alleges that Respondent terminated Lee Craft (Craft) on January 25, 2012, because he showed and discussed with his coworkers an employee counseling form that he received from Respondent on January 20, 2012.

On the entire record, including my observation of the demeanor of the witnesses, and after considering the briefs filed by the Acting General Counsel² (General Counsel) and the Respondent, I make the following:

¹ All dates are in 2012 unless otherwise indicated.

² For purposes of brevity, the Acting General Counsel is herein referenced as the General Counsel.

FINDINGS OF FACT

During the 12-month period ending October 31, 2012, Respondent sold and shipped goods valued in excess of \$50,000 directly to points located outside the State of Tennessee. During the same 12-month period, Respondent purchased and received goods in excess of \$50,000 directly from points outside the State of Tennessee. Respondent admits, and I find that at all material times, Respondent has been an employer engaged in commerce within the meaning of Sections 2(6) and (7) of the National Labor Relations Act (the Act).

ALLEGED UNFAIR LABOR PRACTICES

A. Background

Respondent's Southeast Regional Distribution Center in Memphis, Tennessee, employs approximately 52 employees and serves as a distribution center for Phillips Lighting products. In addition to its regular employees, Respondent also utilizes approximately 48 temporary employees through Adecco, a temporary service. Employees are assigned to one of four departments; Ballast, Professional, Consumer, and Receiving. Respondent's Memphis operations are directed by Regional Distribution Center Manager Sherry McMurrian. During the relevant time period, Gerak Guyot served as Respondent's operations manager and Rolita Turner, Joe Odum, and William Gibson were supervisors at Respondent's facility.

All of Respondent's human resources responsibilities for the Memphis facility are handled by Respondent's corporate office in Somerset, New Jersey. Specifically, Palak Dwivedi in Respondent's corporate office dealt with the Memphis human resources issues during the relevant time period.

B. Relevant Facts

1. Craft's work history

Craft was hired at Respondent's facility as a material handler in February 2003. With the exception of the last 5 days of his employment, Craft was assigned to the Ballast Department. In April 2010, Craft was promoted to a lead position where he was supervised by Gene Blinstrup. Rolita Turner also began her work with Respondent as a warehouse worker and she was promoted to the lead position in 2005. Turner testified that although she and Craft never worked in the same department when they were leads, their working relationship as leads was not problematic.

In October 2010, Blinstrup retired; leaving the supervisor's position open. Both Craft and Turner applied for the position. Turner was selected for the supervisory position and she supervised Craft until he transferred out of the Ballast department on January 20, 2012. Turner testified that after assuming the supervisory position, she concluded that Blinstrup had performed a good deal of the leads' work in addition to his own duties. Respondent conducts a performance appraisal for every employee annually. The employee's work is reviewed with respect to quality, dependability, teamwork, and safety. After supervising Craft for 4 months,

Turner, with the help of McMurrian, completed a performance appraisal for Craft. McMurrian testified that Craft's appraisal score indicated that improvement was needed.

On February 9, 2011, Craft received an employee counseling discipline for unsatisfactory performance based on a determination that he had failed to ensure that all orders in the Ballast department were picked, processed, and shipped for 2 weeks and he had failed to inform the supervisor of the issues. On April 14, 2011, Craft received an additional employee counseling for unsatisfactory work based on a determination that he failed to ensure good housekeeping practices. The following month, Craft was given an employee counseling dated May 13, 2011, for unsatisfactory performance. The discipline was specifically issued because of a failure to ship certain packages and orders on May 11 and 12, and for working overtime without first obtaining authorization. On June 21, 2011, Respondent issued Craft an employee counseling for failing to ensure that all deliveries were shipped.

McMurrian testified that during the time that Craft worked as a lead, she worked with him to personally coach him on learning his new duties. She recalled that he had struggled with running reports and she personally showed him how to run the necessary reports. She provided him with screen print samples of the transactions for him to use as references when she was not available to help him.

2. Craft's interaction with employee Kim Coleman prior to his demotion

Kim Coleman began working for Respondent in August 2003 and she became a fulltime employee in January 2004. Craft was already an employee at Respondent's facility when Coleman began her work at the facility. Coleman testified that initially her relationship with Craft had been friendly. After a period of time, however, Craft asked her for a date. She testified that she told him "No" explaining to him that he was beneath her. She recalled that she told him that he was married and she didn't "like his kind." She further testified that she had believed that he just wanted to go out with her in order to belittle her as a single parent. Before Craft became a lead, Coleman had little opportunity to deal with Craft as he worked in the Receiving section and she worked in the Returns sections of the department.

Coleman testified that when Craft became her lead, she felt that he tried to exert control over her and to intimidate her. She recalled that he told her "I run this floor and you're going to do what I ask you to do. I am the boss. They're going to believe what I say." Coleman described Craft as speaking harshly to her and she asserted that he spoke to her in a way that made her feel that she was worth nothing. Coleman recalled that he told her that she did not deserve to be there and his statement to her was "your expiration date is over." He told her that she was going to be fired. Coleman also testified in detail about Craft's comments to her about the clothes that she was wearing, including his specific references to her underwear.

McMurrian recalled that on July 8, 2011, Coleman came to her office to discuss Craft. Coleman told McMurrian that Craft was harassing her on the floor. Coleman reported that Craft pulled her from her regular job to do other work, yelled at her, and threatened that he would "make sure" that she would lose her job. McMurrian spoke with Craft and explained

to him that Coleman's job was in the Receiving section and she advised him to coordinate with Coleman's supervisor before he pulled her off that job to do other work. McMurrian told Craft that other employees had complaints about him and that he needed to communicate with his team and to work more closely with Supervisor Rolita Turner to understand the demands of the Ballast area.

McMurrian also documented a meeting with employee James Powell on July 10. Powell, who was also a lead in Ballast, reported to McMurrian that during a shift meeting with the Ballast employees, Craft screamed at the employees and threatened to ensure that they would be fired. Coleman testified that she had attended this same meeting and she recalled that Craft told the employees that they would be fired.

On July 15, 2011, McMurrian and Operations Manager Guyot met with Craft. McMurrian told him that she felt that he was not ready for the lead position and that he needed to return to the position of material handler. Craft was also given a written warning that referenced the incident occurring on July 10, 2011. The warning language notes that during a meeting with Ballast employees, Craft threatened and berated the team and acted in a way that was unacceptable. The warning also indicated that other than Craft's not following through with team lead duties, employees Kim Coleman and Uma Jalloh perceived Craft's behavior as harassment. The discipline, that was signed by Regional Distribution Center Manager McMurrian and Operations Manager Guyot, confirmed that after 6 months, Craft had not performed the Team Lead functions and that he would be returned to the position of material handler.

3. Incidents occurring after Craft's demotion

Following the July 2011 demotion, Craft returned to the position of material handler and his pay was reduced \$2.50 an hour. McMurrian testified that even though Craft was no longer in the lead position, the issues remained between Craft and Coleman.

Coleman recalled an incident that occurred after Craft returned to the job of material handler. Craft and Coleman argued as to whether Coleman had placed a skid in the wrong bin. She argued that she had not and Craft argued that she had done so. After she checked for herself, she found that the skid was in the wrong bin. Coleman apologized to Craft and admitted that she had been wrong. She testified that he told her to get on her knees to make the apology. She refused.

On December 22, 2012, Turner telephoned McMurrian while she was away from the facility on vacation. Turner reported that Coleman had come to her alleging that Craft had left some type of recording device next at her work station and that she was very uncomfortable and believed that Craft was trying to record her conversations. McMurrian directed Turner to have Guyot go to Coleman's work station and retrieve the device. In his investigation, Guyot discovered that the device was a Play Station Portable hand-held videogame system. McMurrian recorded in her notes that because cell phones and other such devices were not allowed on the work floor, Guyot told Craft not to have the device on the floor as the company would not be responsible if it were stolen. McMurrian also recorded in

her note concerning this incident that she had previously spoken with Craft in June 2011 about using his cell phone or other devices to record people without their knowledge. Although Craft asserted to McMurrian in the June 2011 meeting that he was only recording notes for himself as a team leader, McMurrian had directed him to use a notepad.

On December 26, 2012, Turner brought Coleman to McMurrian's office and asked to speak with McMurrian. Coleman told McMurrian that Craft was trying to make people think that he was recording their conversations and phone calls and she told McMurrian that she had experienced enough of Craft's harassment. Coleman reported that Craft appeared to be taking pictures of the product that another employee was sorting. Coleman reported that she was frightened of Craft and that she felt that he was singling her out for criticism. She asserted that Craft had threatened that he was going to get her fired.

Coleman also told McMurrian about the incident when Craft told her to get on her knees to apologize to him. Coleman further contended to McMurrian that Craft continued to stare at her and to make her feel uncomfortable. McMurrian recalled that Coleman was crying and appeared to be clearly upset in reporting these things to her. McMurrian testified that Coleman reported that she was frightened of Craft and that she feared for her life and her job.

Following this meeting, McMurrian spoke with other employees about Coleman's allegations. Employee Antonio Edwards reported that Craft had made the statement to him that he (Craft) was going to start making some changes there and he was going to fix it so that "no one had to kiss butt to move up the ladder." McMurrian documented that employee Len Lee opined that Craft had "bad blood" for Coleman. Employee Latoya Hyde opined that Craft had problems with "single women" working on the work floor and she asserted that he treats them differently than other women. McMurrian documented that employee Thelma Halbert reported that she had witnessed Craft's harassment of Coleman. Halbert reported to McMurrian that even though Craft was no longer Coleman's lead, he continued to monitor her work and to tell her what to do.

After speaking with various employees about Coleman's allegations, McMurrian met with Craft. She told him that Coleman had reported that he had harassed her. Craft testified that although McMurrian had given him specific details, he had not asked for any details. Craft recalled that McMurrian asked him why Coleman would have thought that he was harassing her. He testified that he told McMurrian that he couldn't speak for Coleman; he could only speak for himself. Craft did not testify that he denied the alleged behavior when speaking with McMurrian. In direct examination, however, Craft denied that he had stared at Coleman, watched her work, or threatened her. He denied that he told her to kneel when she apologized to him. He recalled that McMurrian had also told him that employees had alleged that he had threatened management and that he had made comments about replacing management. Craft denied to McMurrian that he had done so.

4. Craft's participation in preshift meetings

At the beginning of each work day and at the beginning of the first shift, Respondent

conducts a preshift meeting for all the employees on that shift, including the temporary employees. The meetings are usually conducted by the lead employees; however, supervisors occasionally attend the meetings. The majority of the meetings are devoted to pertinent work-related topics for that day. After Turner became a supervisor in 2010, she implemented an additional segment for the morning meeting that was known as “a minute to shine.” After the leads finished their portion of the meeting concerning work-related topics, individual employees were given an opportunity to speak during the meetings. Turner testified that she initiated the segment to give employees a chance to discuss positive things that had happened in their lives. After its implementation, Craft participated in the “minute to shine” on the average of three times each week. Craft testified that he used this time to try to motivate employees and he often gave speeches and reworked the lyrics of songs to make them applicable to work.

Team Lead Lester Peete testified that for the most part, Craft’s comments were about employees working together and team work. He also confirmed that some of the employees reacted negatively to Craft’s remarks and didn’t understand what he was trying to say to them.

Coleman testified that Craft’s comments were “always” negative toward Respondent during these meetings; stating that managers and supervisors were not doing what they were supposed to do. Coleman recalled that he told employees that he was going to “make things change.” She also recalled that his comments in the meetings were directed toward her, stating such things as “Certain people, you know who I’m talking about. You’re not doing the right thing. You are going to be terminated. Your time is up.”

5. Respondent’s continuing investigation of Craft

On January 3, 2012, Guyot submitted an incident report to McMurrian recommending Craft’s termination. In the memorandum, Guyot described various performance problems in Craft’s work as an hourly employee and as a lead that had been observed. He concluded by stating:

“I fully support Rolita Turner’s decision to demote Craft from Lead back to material handler. Now, in light of all the other incidents Lee has caused, I support the decision to move forward and terminate Lee Craft from Phillips to eliminate the hostile working environment Lee Craft has caused.”

On January 4, 2012, Coleman also provided Respondent with a hand written statement outlining her concerns about Craft. In the statement, Coleman referenced recent problems with Craft, as well as, earlier problems in working with him. She alleged in the statement that Craft asked her for a date and she included her response to him. She reported that Craft continually criticized her and threatened that she would be fired. She alleged that he stared at her throughout the day and she added that she thought that he was trying to record her telephone conversations. She also mentioned an incident occurring as early as 2010 when Craft attempted to have her removed from the facility by a security guard because he observed her using her cell phone.

On January 4, 2012, Craft picked the wrong item when filling an order and an incorrect order was shipped to a customer. On January 16, while deleting a delivery and adding to another shipment, Craft added all new deliveries to one shipment, taking administrative staff several hours to correct and to reprint 318 deliveries.

5

6. Respondent's initial decision to terminate Craft

On January 16, 2012, McMurrian met with Operations Manager Guyot and supervisors Joe Odum and William Gibson. McMurrian recalled that they reviewed Craft's personnel file and discussed the fact that they had coached him, as well as having issued disciplinary warnings to him. In a memorandum dated January 16, 2012, McMurrian documented that when she spoke with Craft on December 28, 2011; she told him that his statements that were made during preshift meetings and to other employees were being perceived by employees as working against the company and threatening in nature. In their discussions on January 16, 2013, McMurrian and the supervisors discussed the fact that although they had removed Craft from the lead position, they were continuing to have the same kinds of issues with him. At that point, they decided that he should be terminated and a notice of termination was prepared for Craft. In reviewing the file, however, McMurrian and her managers discovered that Craft had not previously received a final written warning. Because it was Respondent's custom to issue a final written warning prior to a notice of termination, Respondent did not issue Craft a notice of termination. A final written warning was prepared and given to Craft on January 20, 2012.

The final written warning confirms that Craft was given the warning because he had engaged in highly disruptive behavior in the preshift meetings and because he had also engaged in harassing and intimidating behavior towards colleagues and towards management. The warning documents that several employees had reported feeling threatened. McMurrian testified that she included these factors as a reason for the warning based on the reports from employees Lester Peete, Antonio Edwards, and Thelma Halbert who had reported Craft's behavior during the preshift meetings and his behavior toward other employees. She explained that she had also based the warning on Craft's disrespectful behavior to Turner and the harassing and intimidating behavior toward Coleman. McMurrian testified that she had simply found Coleman's version of events more credible than Craft's. The warning further lists his errors in shorting orders on January 14, 2012, and his shipping errors in January 16, 2012.

In addition to giving Craft a final written warning, McMurrian decided to move Craft to the Professional department that was in an entirely different building and where he would be assigned to a male supervisor. When McMurrian met with Craft on January 20, 2013, to give him the final written warning, she informed him of the transfer. Craft was also instructed to stay completely away from Coleman's work area. McMurrian also informed Coleman that Craft had been moved from the Ballast department and assigned to a new supervisor.

7. Circumstances leading to Craft's discharge

45

McMurrian testified that although Craft was instructed to stay away from Coleman's

work area, he did not do so. On January 24, and only 4 days after his final written warning, McMurrian received reports from other employees that Craft had taken the forklift from the Professional department and had gone back into the Ballast work area. Coleman testified that Craft came into her work area and while sitting on his forklift, he began to brag about what happened to him. Coleman recalled that Craft stated that McMurrian had done him a favor by moving him because he would no longer have to lift the heavy ballasts. As he was sitting about 10 feet away from Coleman, Craft added that he was “untouchable.” Coleman testified that he was directing his comments to her.

Coleman testified that when Craft was transferred, McMurrian told her that if Craft did anything to harass her, Coleman should let McMurrian know. Both Coleman and Thelma Halbert reported to McMurrian that when Craft came into the department, he showed his disciplinary warning to employees and spoke loudly. Coleman reported to McMurrian that Craft had made the statement that he was “untouchable” and Coleman reported to McMurrian that she had heard from other employees that Craft stated that his warning had been given to him because of Coleman’s filing harassment charges against him. Coleman testified that Craft parked his forklift approximately 10 feet away from her when he was speaking loudly about his transfer and discipline. Employee Fred Smith also confirmed to Supervisor Joe Odum and to McMurrian that Craft had shown his disciplinary warning to him.

McMurrian testified that Craft’s behavior was grounds for termination for two reasons. She said that Craft’s behavior on January 24 and previously violated Respondent’s policy to maintain a harassment free workplace. Additionally, by going back into the Ballast department, Craft had specifically disregarded her directive to stay out of that work area. McMurrian testified that aside from his discussion of his disciplinary notice, Craft engaged in behavior that was sufficient grounds for termination.

C. Whether Respondent Violated the Act

1. The parties’ positions

The General Counsel maintains that Respondent unlawfully terminated Craft because he engaged in protected concerted activity by discussing his January 20 final warning with employees and making statements critical of Respondent’s decision to issue him the final warning. Specifically, the General Counsel alleges in the complaint that since January 19, 2012, Respondent has maintained a rule that discipline is confidential and prohibiting employees from sharing and/or discussing their discipline with their coworkers. The complaint alleges that between January 20, 2012, and January 24, 2012, Craft showed and discussed with his coworkers the final written warning that he received on January 20, 2012, and that Respondent terminated him for doing so. Respondent asserts that its decision to terminate Craft was based on his “final act of harassment/intimidation/bullying and his disruptive behavior occurring on January 24, 2012.”

2. Applicable legal authority

As discussed further below, the parties not only disagree about the Craft’s conduct that

triggered his termination, but they also disagree as to Respondent's motivation in deciding to terminate Craft. In cases where an employer's motivation is an integral factor in determining the lawfulness of discipline issued to employees the Board utilizes the test that is outlined in *Wright Line*, 251 NLRB 1083, enfd., 662 F.2d 800 (1st Cir. 1981), cert. denied 455 U.S. 989 (1982). The *Wright Line* analysis is based on the legal principle that an employer's motivation must be established as a precondition to a finding that the employer has violated the Act. *American Gardens Management Co.*, 338 NLRB 644, 645 (2002). In its decision in *Wright Line*, the Board stated that it would first require the General Counsel to make an initial "showing sufficient to support the inference that protected conduct was a 'motivation factor' in the employer's decision." *Wright Line*, above at 1089.

Under *Wright Line*, the General Counsel must establish not only that the employee engaged in protected conduct, but also that the employer was aware of such protected activity and that the employer bore animus toward the employee's protected activity. *Praxair Distribution, Inc.*, 357 NLRB No. 91, slip op. at fn. 2 (2011); *Camaco Lorain Mfg. Plant*, 356 NLRB No. 143, slip op. at 4 (2011). Specifically, the General Counsel must show that the protected activities were a substantial or motivating factor in the decision to take the adverse employment action. *North Hills Office Services*, 346 NLRB 1099, 1100 (2006). In effect, proving the established elements of the *Wright Line* analysis creates a presumption that the adverse employment action violated the Act. To rebut such a presumption, the respondent must persuade by a preponderance of the evidence that the same action would have taken place even in the absence of the protected activity. *Manno Electric*, 321 NLRB 278, 281 (1996). If the evidence establishes that the reasons given for the discipline are pretextual, either in that they are false or not relied on, the employer has failed to show that it would have taken the same action absent the protected conduct, and there is no need to perform the second part of the *Wright Line* analysis. *Golden State Foods Corp.*, 340 NLRB 382 (2003); *Limestone Apparel Corp.*, 255 NLRB 722 (1981).

The Board has held that an employer's restriction on employee communication is overbroad when the restriction is not limited by time or place. *SNE Enterprises*, 347 NLRB 472, 492–493 (2006), enfd. 257 Fed. Appx. 642 (4th Cir. 2007). Furthermore, an employer's restriction on employees' discussing confidential information interferes with employees' Section 7 rights unless the employer can demonstrate a legitimate and substantial business justification that outweighs the employee's Section 7 interests. *Caesar's Palace*, 336 NLRB 271, 272 fn. 6 (2001). See also *Westside Community Mental Health Center, Inc.*, 327 NLRB 661, 666 (1999). The General Counsel maintains that Craft was unlawfully terminated because he shared confidential information about his January 20, 2012 warning with other employees.

3. Whether Respondent maintained an unlawful confidentiality rule

Paragraph 4 of the complaint alleges that since January 19, 2012, Respondent has maintained a rule that discipline is confidential and prohibiting employees from sharing and/or discussing their discipline with their coworkers. It is undisputed that there is no written policy that prohibits employees from discussing their discipline with other employees. McMurrian also testified that Respondent does not have a policy that prohibits employees

from discussing disciplinary notices. In a sworn affidavit to the Board prior to the hearing, Craft testified that he was not aware of any policy or rule that prohibits an employee from showing or discussing discipline with other employees. Craft further testified that when he received his final written warning, none of the supervisors or managers told him that the warning was confidential; either with respect to the form itself or to discussion about the discipline.

Despite the testimony of both McMurrian and Craft, the General Counsel nevertheless asserts that Respondent unlawfully implemented a policy prohibiting the discussion of discipline on January 19, 2012. In maintaining this assertion, the General Counsel relies on a file summary that is dated January 24, 2012, and signed by McMurrian, supervisors, and employees on January 25, as well as, the wording of Craft's January 25 discharge notice.

In the January 24, 2012 memorandum McMurrian documents that Coleman and Halbert came to her, reporting that Craft was showing his disciplinary form to employees on the floor and they confirmed to her the content of the discipline to her. Coleman reported to McMurrian that Craft had told other employees that the discipline was given to him because she (Coleman) had filed harassment charges against him. She also told McMurrian that Craft had bragged that he was "untouchable" and that management had done him a favor by moving him out of the Ballast area. McMurrian included in the memorandum the information provided by Halbert and by employee Fred Smith about Craft's comments concerning his discipline and his comments about his transfer out of the Ballast department. In referencing the fact that Coleman and Halbert came to her with complaints about Craft's statements and actions, McMurrian adds: "These employees are aware that disciplinary forms are confidential information and should not be shared on the warehouse floor, at any time, much especially during working hours." McMurrian also added "Kim stated that he was purposely showing the write-up which he knows is confidential information so it would get back to her like she was the blame."

Coleman testified that she told McMurrian that the discipline forms were confidential and should not be shared with others. When asked why she made this statement, Coleman admitted that no one ever told her that such discipline was confidential; she had just assumed that it was. She explained that because a discipline is personal for an employee, she assumed that employees should keep it to themselves. Coleman further testified that when she told McMurrian that she thought that Craft was revealing confidential information, McMurrian did not respond that it was confidential or tell her that it was wrong for Craft to show her his disciplinary form. McMurrian's response to Coleman was simply "Why would he want to do that? Why would he want to show that?"

Based on the total record evidence, it appears that Coleman was the individual who appeared to be most concerned that Craft was telling employees about his discipline. Based on her testimony and the information that she reported to McMurrian, Coleman was disturbed by Craft's statements about his discipline and transfer because she believed that he was targeting her as responsible. Thus, while McMurrian may have referenced in the memorandum that Craft showed his disciplinary warning to employees on January 24, as well as the fact that Coleman raised the confidentiality of the discipline, there is no credible record

evidence that Respondent told employees on January 19, 2012, that they were prohibited from sharing and/or discussing their discipline with coworkers as alleged in complaint paragraph 4.

McMurrian included in Craft's termination notice that Craft requested a copy of his write up and he was informed of the confidentiality of the discussion and the form during this meeting. McMurrian testified that Craft raised the issue of confidentiality in his disciplinary meeting and she had assured him that their conversation was confidential. The record supports her explanation as to how confidentiality was raised during the meeting and why she added a reference to confidentiality as she did in Craft's termination notice. Craft specifically denied that he was told in the meeting that the disciplinary form was confidential. He did not testify that McMurrian or any of the managers told him that he could not discuss his discipline. Based on both the testimony of McMurrian and Craft, it is reasonable that when Craft requested a copy of his discipline, he was given assurances that Respondent would maintain the confidentiality of his discipline. I do not find sufficient evidence that Respondent told Craft or any other employees on January 19, 2012, that they were prohibited from discussing their discipline with other employees. Overall, I don't find that the wording in Craft's termination notice as sufficient evidence to prove that Respondent established a prohibitive policy 6 days earlier as alleged in the complaint. Accordingly, I do not find merit to complaint paragraph 4 as alleged.

4. Whether Craft was terminated because of his protected activity

Independent of whether Respondent implemented a policy on January 19, 2012, that restricted employees from discussing their discipline, there remains the issue of whether Respondent terminated Craft because he engaged in protected activity by discussing his discipline with other employees. Specifically, the General Counsel alleges that between January 20, 2012, and January 24, 2012, Craft showed and discussed with his coworkers the counseling form that he received on January 20, 2012. Respondent, however, alleges that Craft was terminated because of his conduct on January 24, 2012.

D. The Application of the Wright Line analysis

1. Whether Craft engaged in protected activity

As discussed above, the first component of the *Wright Line* analysis is establishing that an employee has engaged in protected activity. Although Respondent conducted an investigation prior to issuing Craft the January 20, 2012 warning, there is no evidence that Respondent engaged in any further investigation of Craft's conduct prior to January 24, 2012, when McMurrian received complaints from Coleman and Halbert. The overall record indicates that once Respondent issued Craft the final warning and then transferred him to an area for supervision by a male supervisor, Respondent took no further notice of Craft until January 24, 2012. Respondent asserts that Craft's termination was triggered by his conduct on January 24, 2012, when he came back into the Ballast area and caused a disturbance related to his discipline and transfer. Interestingly, Craft denies that he went into the Ballast area after January 20, 2012. He contends that while he spoke with other employees about the discipline that he had received, he did so between January 20 and 24, 2012, and on

nonworking time in areas other than the Ballast area. Overall, I do not find Craft's testimony credible in this regard. The total record evidence, including the credible testimony of Coleman and Halbert support a finding that Craft came back in to the Ballast area on January 24, 2012, as documented in McMurrian's January 24, 2012 memorandum.

Although the parties disagree with respect to when Craft talked with other employees about his discipline and his transfer, there is no dispute that he did so. As the Board has previously determined, "it is important that employees be permitted to communicate the circumstances of their discipline to their co-workers so that their colleagues are aware of the nature of discipline being imposed, how they might avoid such discipline, and matters which could be raised in their own defense." *Verizon Wireless*, 349 NLRB 640, 658 (2007). Thus, Craft's communication to other employees about his discipline and transfer is clearly protected activity.

2. Respondent's knowledge of Craft's protected activity

Respondent argues that the second prong of the *Wright Line* analysis cannot be met because Respondent had no knowledge that Craft was talking with employees about his discipline prior to January 24, 2012. Respondent argues that inasmuch as Craft denies engaging in protected activity on January 24, 2012, the requisite knowledge cannot be established. I note however, that actions taken by an employer against an employee based on the employer's belief that the employee engaged in or intended to engage in protected activity are unlawful even though the employee did not in fact engage in or intend to engage in such activity. *Signature Flight Support*, 333 NLRB 1250, 1250 (2001); *U.S. Service Industries, Inc.*, 314 NLRB 30, 31 (1994), enfd. mem 80 F. 3d 558 (D.C. Cir. 1996). Thus, even if I were to credit Craft's testimony, finding that he did not come back into the Ballast area on January 24, 2012, Respondent believed that he did so, and disciplined him for conduct related to protected activity. Accordingly, I find that Respondent had knowledge that Craft engaged in protected activity.

3. Whether Craft's protected activity was a motivating factor in his discharge

Counsel for the General Counsel relies on the January 25, 2012 discharge notice as a basis for showing that Craft's discussions about his discipline were a factor in Respondent's motivation to discharge Craft. The notice specifically describes the violation as:

Lee Craft is being terminated effective immediately due to disrupting the operation and sharing confidential documentation and information during working hours and continues to use intimidating language towards management. Lee received a final written disciplinary notice warning against these exact behaviors on 1/20/2012. Lee requested a copy of the write up and was informed of the confidentiality of the discussion during the meeting.

Counsel for the General Counsel also asserts that in McMurrian's memorandum of January 24, 2012, she focuses on Craft's discussing his warning notice with other employees while writing that employees are aware that discipline forms "are confidential and should not be

shared on the warehouse floor at any time.” As I have discussed above, I have found that the discussions and concerns about the confidentiality of Craft’s discipline were initiated by employees Coleman and Halbert rather than by the Respondent. McMurrian, however, identified the breach of confidentiality in both her January 24, 2012 memorandum as well as in Craft’s termination notice. Respondent does not deny that Craft was terminated because of his going back into the Ballast department and the statements that he made there to employees. These statements included his discussion about his discipline and his transfer. Thus, as his discussions about his transfer and discipline were intertwined with all of his actions on January 24, 2012, such actions were a motivating factor in Respondent’s decision to discharge Craft. Accordingly, the General Counsel has met the initial burden of showing that protected activity was a motivating factor in Respondent’s decision to terminate Craft. *Wright Line*, 251 NLRB 1083 (1980), enfd. 662 F.2d 899 (1st Cir. 1981), cert. denied 455 U.S. 989 (1982).

4. Whether Respondent would have terminated Craft in the absence of protected activity

Once the General Counsel meets the initial burden of showing that an employee’s protected activity was a motivating factor in the adverse employment, the employer has the burden of demonstrating that it would have taken the same action in the absence of the protected conduct. *Wright Line*, 251 NLRB at 1089. The total record evidence supports a finding that Respondent has met this burden.

As argued by counsel for the Respondent, the record evidence demonstrates that Respondent had already decided to terminate Craft before he engaged in any protected activity. In a memorandum dated January 16, 2012, McMurrian describes a December 28, 2011 meeting attended by supervisors Odum and Gordon, as well as Craft and McMurrian, Craft was informed that Respondent was investigating an additional report of his engaging in intimidating and harassing behavior. McMurrian documented that she informed Craft of the complaints received from other employees. McMurrian further documented in the report a number of comments and complaints submitted by employees, as well as by Supervisor Rolita Turner. Specifically, McMurrian noted that Turner had reported that Craft had persistently attempted to undermine and belittle her decisions and that he continued to demonstrate a lack of respect for Turner. McMurrian noted that Craft’s disruptive behavior was inappropriate; interfering with operations and it was viewed as unstable as documented by specific named employees. McMurrian concludes:

After many coaching sessions, and disciplinary action, which included a demotion from the Team Lead position, Lee Craft has continued to display intimidating, offensive, and demoralizing behavior. It is in the best interest of the company and the employees of Phillips to terminate Lee Craft’s employment, effective immediately. The intimidating behavior is a violation of company policy. Phillip’s has the responsibility to create a safe environment where offensive and intimidating behavior is not tolerated.

McMurrian concluded the memorandum by noting that the decision to terminate Craft had been made jointly by the distribution manager, the operations manager, and by three

distribution center supervisors.

The termination notice that was prepared on January 16, 2012, reflected that Craft was being terminated because of inappropriate behavior and a violation of company policies and procedures. The notice documented that Craft had been removed from the team lead position on July 25, 2011 because of his use of intimidating tactics that were perceived by two female employees as harassment and because he was not performing the tasks required in the team lead position. The January 16, 2012 termination notice further noted that in July 2011, Craft had been informed that if he failed to perform the duties of material handler or if he had further issues with his fellow coworkers, he would be subject to further discipline up to and including termination.

As noted above in this decision, Respondent did not terminate Craft on January 16, 2012, as originally intended. Because it was discovered that he had not previously received a final written warning, the termination was converted to a final written warning and he was spared termination. The warning that issued on January 20, 2012 documents that Craft had engaged in inappropriate behavior, unsatisfactory performance, and a violation of company policy/procedures. The final written warning included a reference to two specific performance issues. The warning also referenced that Craft had engaged in highly disruptive behavior in the preshift meetings and that Craft had engaged in harassing and intimidating behavior toward colleagues and towards management. There was no allegation or finding that Craft discussed confidential information or engaged in any other protected activity.

Because of Craft's reported behavior toward female employees as well as his female supervisor, Craft was moved out of the Ballast department to a department under a male supervisor. McMurrian credibly testified that he was instructed to stay out of the Ballast department. In transferring Craft into the new department, Respondent gave Craft an opportunity for a fresh start to work with different employees and a different supervisor.

On January 24, 2012, McMurrian learned that Craft had not only returned to the Ballast department in violation of her instructions to him, but that he had also engaged in behavior that employees reported as disruptive. In alleging that Respondent terminated Craft because of his sharing information about his discipline with other employees, the General Counsel relies on the wording of Craft's final termination notice. The General Counsel specifically relies on the fact that Respondent referenced Craft's "sharing confidential documentation and information during working hours" in the description of Craft's conduct. As I have indicated above, such wording is arguably sufficient to establish that the General Counsel has met the initial burden of a prima facie case under *Wright Line*. The remainder of the termination notice, however, demonstrates that Respondent would have terminated Craft in the absence of any protected activity.

The January 25, 2012 termination notice documents that he was also terminated because of his disrupting the operation and for using intimidating language toward management. Even more significant, however, is the additional language that was included in the termination notice:

Lee received a final written disciplinary notice warning against these exact behaviors on 1/20/2012.

There is no dispute that the final warning given to Craft on January 20, 2012, did not involve any allegation of disclosing confidential information. The language of the warning reflects that it was issued to Craft for (1) highly disruptive behavior; (2) harassing and intimidating behavior towards colleagues and management, and (3) for performance issues. Thus, it is apparent that even in the absence of any protected activity, Respondent terminated Craft because Respondent determined that he had engaged in the same conduct that triggered his January 20, 2012 notice. More significantly, Craft's conduct on January 24, 2012, was consistent with the conduct for which Respondent based its earlier decision to terminate Craft on January 16, 2012, and prior to any alleged protected activity.

As discussed above, Craft denies that he came back into the Ballast department on January 24, 2012, and spoke with employees. Because of this denial, the General Counsel asserts that while Craft engaged in protected activity; it was simply not on January 24, 2012. Because of Craft's denial, the General Counsel is forced to argue that Craft discussed his discipline with employees during the period between January 19, 2012, and January 24, 2012. I note, however, that neither McMurrian's memorandum of January 24, 2012, nor Craft's termination notice reference any dates of alleged misconduct other than January 24, 2012. In reaching the decision that Respondent would have terminated Craft in the absence of any protected activity, I rely in large part on the documentary evidence and the credible testimony of McMurrian. Based on the information provided by other employees, McMurrian determined that Craft had disregarded her instructions to stay out of the Ballast department and that he was engaging in the same conduct for which he had previously been warned.

There is no question that Craft's behavior on January 24, 2012, included his comments to other employees about his discipline and his transfer. As discussed above, Section 7 of the Act clearly protects employees when they tell other employees about their discipline. Based on the testimony of Coleman, however, it is also apparent that Craft's statements were arguably motivated to accomplish more than a simple sharing of information with other employees. Based on her testimony and on the information that she gave McMurrian, it is evident that Coleman perceived Craft's return to the Ballast department and his statements to her and to other employees as additional harassment. Ostensibly, Craft's behavior reflected more than simply sharing what Respondent had done to him; it included communicating to other employees that Coleman was responsible for his discipline and transfer. It is reasonable that Respondent determined that in his doing so, Craft had again harassed Coleman and engaged in the same conduct for which Respondent had intended to fire him only 8 days earlier.

It has long been held that an employer violates the Act if it is shown that the discharged employee at the time engaged in protected activity, that the employer knew it was such, that the basis of the discharge was an alleged act of misconduct in the course of that activity, and that the employee was not, in fact, guilty of that misconduct. An employer's honest belief, however, provides a defense to a charge of discrimination absent a showing that the employee did not, in fact, actually engage in the alleged misconduct. *NLRB v. Burnip &*

Sims, Inc., 379 U.S. 21, 22 (1964); *Westinghouse Electric Corp.*, 296 NLRB 1166, 1173 (1989). In the instant case, the evidence is not sufficient to establish that Craft did not engage in the conduct that was reported to McMurrian by his fellow employees. Thus, Respondent has demonstrated that it would have terminated Craft in the absence of any protected activity.

Accordingly, I do not find that Respondent terminated Craft in violation of Section 8(a)(1) of the Act.

CONCLUSIONS OF LAW

1. The Respondent, Phillips Electronics North American Corporation, is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the Act.

2. The Respondent has not violated the Act as alleged in the complaint.

On these findings of fact and conclusions of law and on the entire record, I use the following recommended:³

ORDER

The complaint is dismissed in its entirety.

Dated, Washington, D.C. June 13, 2013

Margaret G. Brakebusch
Administrative Law Judge

³ If no exceptions are filed as provided by Section 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order, as provided in Section 102.48 of the Rules, shall be adopted by the Board and all objections to them shall be deemed waived for all purposes.